

APPENDIX C

Capital Construction Fiscal Rules

Rule 4-1

CAPITAL CONSTRUCTION ADMINISTRATION

AUTHORITY:

24-30-1301, C.R.S. (State Buildings Division)
Title 24, Article 75 Part 3, C.R.S. (Capital Construction Fund)
Title 24, Article 91, C.R.S. (Construction)
Title 24, Article 92, C.R.S. (Construction Bidding)
38-26-106, C.R.S. (Contractor Bonds)
38-26-107, C.R.S. (Supplier Claims)

DEFINITIONS:

Capital Construction Fund - A fund created by statute for the purpose of purchasing and/or maintaining land, buildings and equipment and for constructing buildings for use by the State.

RULE:

The State Capital Construction Fund was established to provide a source for appropriations to State Agencies to acquire and maintain their physical facilities. The fund has special requirements that must be followed by State Agencies receiving appropriations from the fund.

Capital Construction Contracts

- .01 Formal contracts shall be required for all project costs exceeding \$25,000 unless the State Controller has given prior approval. For project costs less than \$25,000, the Purchasing Director may authorize a purchase order in lieu of a contract.
- If project costs exceed \$25,000 but are less than \$50,000 and the plans and specifications have been prepared by or reviewed and approved by a licensed architect or a registered engineer, a State Agency may use a purchase order.
- .02 Capital Construction Fund contracts shall follow the contract routing procedures established by the State Controller's Office.

Rule 4-2

CAPITAL CONSTRUCTION PROJECTS

AUTHORITY:

24-30-1301, C.R.S. (State Buildings)
24-30-1404, C.R.S. (Contracts)
Title 24, Article 75 Part 3, C.R.S.(Capital Construction Fund)
Title 24, Article 91, C.R.S. (Construction)
Title 24, Article 92, C.R.S. (Construction Bidding)
38-26-106, C.R.S. (Contractor Bonds)
38-26-107, C.R.S. (Supplier Claims)

DEFINITIONS:

Capital Construction Fund - A fund created by statute for the purpose of purchasing and/or maintaining land, buildings and equipment and for constructing buildings for use by the State.

Capital Construction Project - A construction project funded wholly or in part by funds from the State Capital Construction Fund.

Controlled Maintenance Project - A maintenance project funded wholly or in part by funds from the State Capital Construction Fund.

RULE:

All funds appropriated from the State Capital Construction Fund shall be used for their intended purpose. A State Agency shall not use Capital Construction Funds to pay or reimburse State employees for construction management, administrative activities, direct labor performed, or any other expense outside the scope of the Capital Construction or Controlled Maintenance Project.

Contracts funded by the State Capital Construction Fund shall be executed and the funds encumbered within the time limits established by 24-30-1404, C.R.S.. If a State Agency determines that the deadlines imposed by the statute cannot be met, the State Agency may request the Capital Development Committee to recommend to the State Controller that the deadline be waived. The State Controller may grant the waiver request.

Rule 4-3

CAPITAL CONSTRUCTION PROJECT RETAINAGE

AUTHORITY:

24-30-1301, C.R.S. (State Buildings)
Title 24, Article 75 Part 3, C.R.S. (Capital Construction Fund)
Title 24, Article 91, C.R.S. (Construction)
Title 24, Article 92, C.R.S. (Construction Bidding)
38-26-106, C.R.S. (Contractor Bonds)
38-26-107, C.R.S. (Supplier Claims)

DEFINITIONS:

Capital Construction Fund - A fund created by statute for the purpose of purchasing and/or maintaining land, buildings and equipment and for constructing buildings for use by the State.

Capital Construction Project - A construction project, as defined in 24-30-1301, C.R.S., funded wholly or in part by funds from the State Capital Construction Fund.

Controlled Maintenance Project - A controlled maintenance project, as defined in 24-30-1301, C.R.S., funded wholly or in part by funds from the State Capital Construction Fund.

RULE:

A State Agency shall withhold retainage for all Capital Construction and Controlled Maintenance Projects where the total amount of the contract exceeds the limit established by 24-91-103, C.R.S.. The retainage shall be in the form of monies withheld from the contractor or in any other form authorized by statute and acceptable to the State Agency.

The retainage shall be released by the State Agency only when the contract has been satisfactorily completed and accepted, the State Agency has proof of publication of "Notice of Final Settlement", in accordance with 38-26-107, C.R.S., and there are no outstanding claims against the project.